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History of the Office of Communications

Chapter I

The Transitional Period

HS/HC- 916

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HISTORY OF THE OFFICE OF COMMUNICATIONS
THE TRANSITIONAL PERIOD

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HISTORY OF THE OFFICE OF COMMUNICATIONS

CHAPTER I

THE TRANSITIONAL PERIOD

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The Transitional Period

A. INTRODUCTION

This Chapter covers the years following termination of the Office of Strategic Services (OSS), including operations under the Strategic Services Unit (SSU), and the Central Intelligence Group (CIG), and concludes with the formation of the Central Intelligence Agency. The official time span is 1 October 1945, to 18 September 1947. A history of OSS Communications already is written and is deposited in the CIA Records Center. For continuity purposes, references are made herein to the general status of OSS Communications at the conclusion of its recorded history. As the OSS history extends only to mid-1945, additional noteworthy references are included for the period between mid-1945 and 1 October 1945.

B. TERMINATION OF THE OFFICE OF STRATEGIC SERVICES (OSS)

By Executive Order 9621 of 20 September 1945, effective 1 October 1945, President Harry S. Truman terminated the Office of Strategic Services and divided its functions between the Department of State and the Department of War. This Order reads in part as follows:

"There are transferred to and consolidated in an Interim Research and Intelligence Service, which is hereby established in the Department of State, (a) the functions of the Research and Analysis Branch and of the Presentation Branch of the Office of Strategic Services.... The Interim Research and Intelligence Service shall be abolished as of the close of business December 31, 1945, and the Secretary of State shall provide for winding up its affairs.

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"All functions of the Office not transferred (to the Department of State), together with all personnel, records, property, and funds of the Office not so transferred, are transferred to the Department of War; and the Office, including the Office of the Director of Strategic Services, is terminated.... The Secretary of War shall, whenever he deems it compatible with the national interest, discontinue any activity transferred by this paragraph and wind up all affairs relating thereto.

"This Order shall, except as otherwise specifically provided be effective as of the opening of business October 1, 1945."

C. OSS COMMUNICATIONS - THE FINAL MONTHS

1. General

The following quotations from the History of OSS Communications 1/reflect the general status of OSS Communications at the approximate time of its termination:

"As of July, 1945, the Communications Branch operations, as viewed in their world-wide extent, were decreasing in scope. The three major factors causing this were the cessation of hostilities in the European War, the budget cut which curtailed laboratory and development work, and the limit placed on the number of Communications men who could be sent to the Far East. Viewed by theater, METO (Middle East Theater) was practically closed, having only twelve Army personnel on duty; ETO (European Theater) was sending its personnel back rapidly, and was down to 315 Army officers and men; and China-India-Burma had almost reached the peak number allowed for the theaters, with fifty-four Army officers and 580 enlisted men. Twenty-one officers and 70 enlisted men were assigned within the U. S. Navy and civilian personnel in small numbers also were assigned to the various theaters and the U. S."

"Communications Branch, as the largest operational Branch of OSS, had passed its peak, but was still engaged in providing facilities for Far East operations to the best of its ability."

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"On 15 June 1945, Major Frederic A. Willis, USMCR, then Executive Officer, became Chief, Communications Branch, OSS. Major Willis continued in this assignment until the appointment of the first SSU Communications Chief. Major Jack E. Horton (formerly of China-India-Burma theater) became Executive Officer on 20 June 1945."

Regarding FEETO (Far East Theater):

"....through three years of organization and planning, which proceeded simultaneously with active operations, a highly efficient and intricate communications network was established which, in June 1945, outdistanced the facilities of all other theaters combined.... OSS operations in China, based on Kunming, reached to every corner of the country, and plans were being laid to service Chinese and American mobile units attached to armies invading the China coastal area. In addition, Detachment 202 communications continued to service 14th Air Force intelligence and operated agent circuits into Thailand and Indo-China, as well as mission circuits situated along the China coast and in North China. Through Kunming, main line communication was carried on with Chungking, Nazira, Calcutta and New Delhi. As China in 1945 became the focal point of the global war, OSS communications had at last achieved the practical realization of the vast plan originally projected in 1942."

2. Liquidation

The liquidation of OSS activities started some time before the promulgation of the Executive Order relating to the termination of the Office of Strategic Services. This is reflected in a letter dated 20 September 1945, 2/ from President Truman to Major General William J. Donovan, Director of Strategic Services, which states in part:

"I appreciate very much the work which you and your Staff undertook, beginning prior to the Japanese surrender, to liquidate those wartime activities of the Office of Strategic Services which will not be needed in time of peace."

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It is noted, accordingly, that at the time of the actual termination order, steps already had been taken to close out or phase back OSS communications facilities and activities. This action was well under way in early 1945; and by 20 September 1945, they had crystallized to the extent explained in a letter from the Communications Division Chief, Major Willis, to Lt. Edgar A. Prichard, c/o American Legation, Cairo, Egypt 3/:

"Generally speaking, we are trying to make our first major step in the final liquidation steps by December 1, and to have the thing wound up to turn over to any centralized intelligence agency that might be formed by the Government (if one should be formed) by January 1.

"Naturally, we in communications will have the problem of dismantling our fixed installations, base stations and warehouses and the disposition of vast amounts of equipment all over the world; so it is quite likely that Major Perry and his Staff (supply) here will have to be kept on for a while. This is also true of the Message Center and Staff and will be true to a limited extent of our Adjutant's Office in order to process the men out when they return."

D. CREATION OF STRATEGIC SERVICE UNIT (SSU)

On 27 September 1945, as an implementing vehicle for the tasks transferred to the Department of War from OSS, Secretary of War, Patterson, created the Strategic Services Unit. He appointed as Director of SSU, Brigadier General John Magruder, USA, subject to the authority of and policies determined by the Assistant Secretary of War.

In a memorandum for the Director of SSU, dated 26 September 1945, the Assistant Secretary of War, John J. McCloy, set forth

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his general views on policies and procedures for SSU. He made SSU semi-autonomous stating that the Director would keep the Assistant Secretary and the Deputy Chief of Staff advised of plans and activities. Only major questions of policy were required to be referred to the Assistant Secretary's Office.

General Magruder, as Director of SSU, was charged with the continuing liquidation of those OSS activities and personnel transferred to the War Department which were no longer necessary or desirable, and the preservation as a unit of such of those functions and facilities as were valuable for permanent peacetime purposes, or which might be required by Theater Commanders or occupational authorities to assist in the discharge of their responsibilities.

General Order No. 11 of 4 April 1946, announced that Colonel William W. Quinn, Inf., has assumed command of the SSU: It is noted that a memorandum from General Magruder to the Secretary of War, dated 4 February 1946, was routed through "Major General S. LeRoy Irwin, Interim Director, SSU." Thus, it appears that General Irwin served as Director, SSU for a period prior to Colonel Quinn's appointment. 4/

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E. SSU COMMUNICATIONS

1. Early Status

(a) Personnel

In a report of 9 October 1945, to the Assistant Secretary of War, the Director, SSU listed the status of SSU personnel as of the termination of OSS. 5/ Personnel of the Communications Branch totaled 1193 on 30 September 1945, as follows:

Great Britain	111	Mediterranean	37
France	40	China	413
Germany	87	India-Burma	189
Austria	10	United States	284
Near East	22		

By memorandum addressed to Colonel Gamble, dated 25 October 1945, [] submitted an estimate of the personnel required to continue to operate SSU communications during liquidation of war-time services, and until final disposition (i. e., liquidation or absorption by a new agency), for the period 1 October 1945, to 31 December 1945. 6/ His estimated requirements were 165 personnel in the United States and 193 overseas. One hundred of the overseas requirement were for China and India-Burma personnel.

In this same memorandum, [] described the adverse personnel situation facing SSU at the time:

"Attention is drawn to a most serious situation which has arisen in connection with the eligibility of key personnel for discharge under the point system. All but five of the officer personnel engaged in operation of this Branch are eligible for discharge at this time, and over 50 percent of the enlisted personnel will

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successively become eligible for discharge during the next five weeks. In view of this situation, the Communications Branch, in the immediate future, will have considerable difficulty in performing its functions and by the latter part of November will cease to function altogether unless measures are taken without delay to employ civilian personnel. The most apparent solution would be to have discharged personnel waive terminal leave in favor of immediate employment as civilians on some temporary basis."

(b) General

A letter to All SSU Signal Officers dated 9 November 1945, 7/ from Captain Robert E. Lang, SC, Executive Officer, Communications Branch made the following observations, which are indicative of the situation at that time:

"All of us in these positions realize that the war is over and are very anxious to clean up the affairs of the Branch. However, there are some commitments which must continue to be met and while every effort is constantly being made to return personnel to the States as fast as possible consistent with this program, certain traffic centers and radio circuits must be maintained for a while longer."

A progress report was submitted by the Chief, Communications Branch to the Director, SSU on 4 February 1946. 8/ Facts set forth therein provide a summary of communications efforts and problems in the first months of SSU operations:

(1) Liquidation

All SSU transmission facilities in Europe were disbanded prior to 1 November 1945, personnel redeployed, and equipment turned over to the U. S. Signal Corps. Consequently, all SSU traffic within Europe and between Europe and the United States and other theaters was shifted to the networks of the

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U. S. Army, to commercial networks, and facilities operated by other governments.

The SSU cryptographic systems were maintained so that with a few exceptions all SSU traffic continued to be handled in SSU ciphers.

In the Far East, all major SSU transmission installations were liquidated. A skeleton network was left operative through the Southeast Asia Command (SEAC) and in China, as no other transmission facilities for handling of such SSU traffic were available. In SEAC, net controls at Singapore were taken over by the Signal Corps while the tributary stations were still being operated by SSU. SSU cryptographic systems remained unchanged regardless of carrier.

In the Continental United States, even prior to 1 October 1945, the communications training and holding areas at [] were abandoned, including all experimental radio installations both in []

(2) Transition

A decision to continue a communications system to serve SSU necessitated the curtailment of liquidation measures in certain areas. Appropriate steps were taken to freeze personnel until replacements could be made available; and, in step with the general demobilization program, adequate civilian replacements were recruited.

It developed that the SSU skeleton radio systems left in the Far East were not only to be maintained but also were

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to be expanded. This made necessary the retention of some quantities of basic equipment for the support of such installations, as well as facilities to store, maintain, test, and ship such equipment. A readjustment in liquidation policy was required for the further reason that it became increasingly evident that the over-all and progressive deterioration of communications in Europe, as a result of drastic reductions in U. S. Signal Corps installations and personnel, would necessitate within the near future the re-establishment of SSU transmission facilities in certain areas on a small scale.

(3) Problems

The volume of traffic handled, both in the over-all SSU system and in the Washington Message Center, was continuing at an even level and had shown no decrease. A problem of the time was in the processing of traffic, particularly at Washington. This was caused by the fact that SSU traffic was handled by carriers whose facilities were handicapped by shortage of personnel and by the use of inexperienced replacements. As stated by the Chief, Communications Branch:

"The communications systems of the Federal Government carrying SSU traffic as a part of their over-all traffic have reverted to routine 'peacetime' operating principles, which principles are governed by economy in personnel and funds rather than by efficiency and security. Furthermore, in this post-hostilities phase, intelligence traffic as such is not recognized as having any precedence over any other traffic, and therefore is subject to the delays, insecurities, and general slowing down of official U. S. peacetime communications. The messages, while

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enciphered in SSU systems and processed by SSU Message Centers, are in the majority of instances extremely garbled by poor transmission and sloppy terminal handling, which results in substantial delays in the code rooms."

A serious handicap was a complete lack of any U. S. field installation for the purpose of testing both standard equipment and newly designed equipment. Previously available facilities had been closed out.

The obsolescence of much of the equipment left over from the period of hostilities necessitated, in the field of engineering and maintenance, concentrated effort to improve existing equipment and to develop new type clandestine facilities.

(c) World-wide Circuitry

Appendix A shows the world-wide SSU communications circuits as of 22 January 1946. SSU provided no transmission facilities in either Europe or Africa. In the Middle East, only the circuit between Cairo and Istanbul was an SSU-operated radio circuit. Extensive SSU radio networks were in operation in China and in India-Burma and Southeast Asia.

The over-all extent of SSU communications activity was indicated in a 26 February 1946, Communications chart. 9/ This showed, world-wide, 324 personnel; 63 SSU outlets (cipher and radio); 40 communications operated offices; 23 non-communications operated offices (cipher); 22 active radio stations; and 31 radio links.

In this early period, Washington Message Center traffic was peaking at over 20,000 coded groups per day. In January 1946,

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the high day was 26,500. The comparable peak day for all SSU Message Centers world-wide was 98,000 groups. 10/

(d) Coverage Plan

On 27 May 1946, the Communications Division, SSU submitted the following material to the Chief, Personnel Branch, 11/ in connection with an "Initial Outline Plan for World Coverage by SSU." This describes rather concisely the scope of communications planning at that time:

"The Communications Division will provide all types of communications for world-wide network coverage and emergency means in event of breakdown of normal channels, to include electrical, cryptographic, pouch, secret inks, and innocent text with particular stress being given to security of all communications facilities.

"Electrical means will include Army, Navy, and commercial carriers supplemented by agency links where required and by blind broadcast.

"Cryptographic facilities will be provided through close coordination with Army, Navy and State Department sections for all electrical means of transmission and for pouch or other facilities if required.

"Pouch facilities for the most part will entail use of existing State, War, and Navy facilities augmented where required by special couriers.

"Secret inks and innocent text will be used to a limited extent through mail facilities, cut-outs and pouch facilities, and through commercial representatives dependent upon the requirements for the individual operative."

In connection with the above, a schedule of personnel requirements for SSU as estimated to provide world coverage included the following figures for Communications:

Continental U. S. A.	- 200
Overseas	- 410
Total	- 610

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2. Organization

A provisional SSU organization chart was approved by the Director, SSU on 12 October 1945, (SSU General Order No. 2). In this initial organization, the Communications Branch was under the Assistant Director for Intelligence. On 9 November 1945, (SSU General Order No. 5), the Office of the Assistant Director for Intelligence was absorbed in the Director's Office, and the Office of the Deputy Director, SSU was established. Pending further reorganization, the Communications Branch reported to the Acting Deputy Director.

SSU Special Order No. 3 of 18 October 1945, announced the assignment of [] Chief of the Communications Branch, vice Major F. A. Willis, USMCR, relieved.

SSU General Order No. 10 of 10 December 1945, presented a revised organization, superseding General Order No. 2. Under this new organization was an Operational Auxiliaries Branch, which was to provide operational services, including communications. The communications element then became the Communications Division, consisting of a Chief, a Security and Control Section, a Traffic Section, a Cipher Section, Supply Section, and a Research Section. At this time, [] designated Chief, Communications Division. Although official documentation cannot be quoted, it appears that from approximately 30 November 1945, to January 1946, the Chief of SSU Communications was Colonel R. E. Schukraft, Signal Corps. This is based on a 30 November 1945, letter from the Communications Branch Executive

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Officer to all SSU Signal Officers, 12/ which states that Colonel Schukraft had taken over the Branch [] and [] was continuing in the capacity of Special Assistant to Colonel Schukraft. Subsequently, by SSU Special Order No. 30 of 4 January 1946, Colonel Schukraft was named as Chief, Operational Auxiliaries Branch. At that time, [] apparently reverted to Chief, Communications Division and continued in that assignment until the spring of 1946, when relieved by [] as announced in SSU Special Order No. 55 of 10 May 1946.

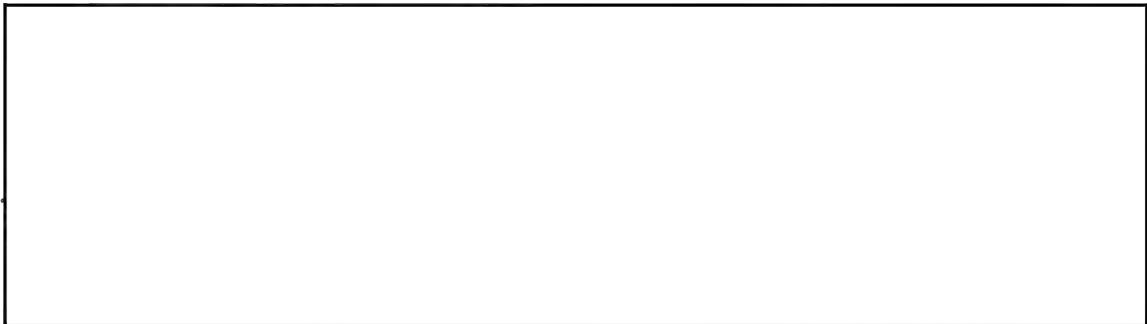
A new SSU organization was announced on 17 June 1946, (SSU General Order No. 13), superseding that prescribed on 10 December 1945. The Communications Division remained under the Operational Auxiliaries Branch and now comprised a Division Chief and Operations, Security and Control, Research, Supply, and Message Center Sections, with responsibilities as follows:

- (1) The planning, organization, and operation of communications, insofar as they pertain to operational activities only.
- (2) The development and supply of operational communications equipment.
- (3) The security of all code and cipher messages.
- (4) Providing suitably trained code clerks and communications personnel for field stations of SSU.
- (5) Training of personnel in the techniques of operating and servicing communications equipment.

(6) Operation of the Message Center including appropriate dissemination of all incoming and outgoing messages. (The dissemination function previously had been performed by the Cable Control Section of the SSU Secretariat.)

There were no significant changes in the SSU Communications set-up between the time of the 17 June reorganization and the final SSU termination order (SSU General Order No. 16 of 19 October 1946.)

3. Scope of Cable Service



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A new system of address and cite indicators for use in SSU messages transmitted by cable to and from overseas points was introduced by SSU Staff Memorandum No. 65 of 27 June 1946. This



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4. Test Station [REDACTED]

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Early in 1946, there was a need for a location remote from main laboratory facilities in Washington for the purpose of making "in service" tests of communications equipment designed for use by SSU. The object was to provide communications tests which offered experience closely paralleling actual operating conditions. An appropriate site was located near [REDACTED] on property of radio stations [REDACTED]. Arrangements were made with the management of those stations to set up an SSU station.

The test station was established in April 1946, 13/in a small one-story building, located approximately 100 yards from the [REDACTED] transmitter building, about 1.7 miles from the town of [REDACTED]. For cover purposes, the station was set up as an adjunct [REDACTED] project. [REDACTED] call letters and [REDACTED] frequencies were obtained for use by this test station and by the test station operated from Washington. The Project cover name [REDACTED] was assigned, and [REDACTED] was designated as Commanding Officer.

The station was operational until July 1947. The personnel and equipment were removed on 11 July 1947. 14/

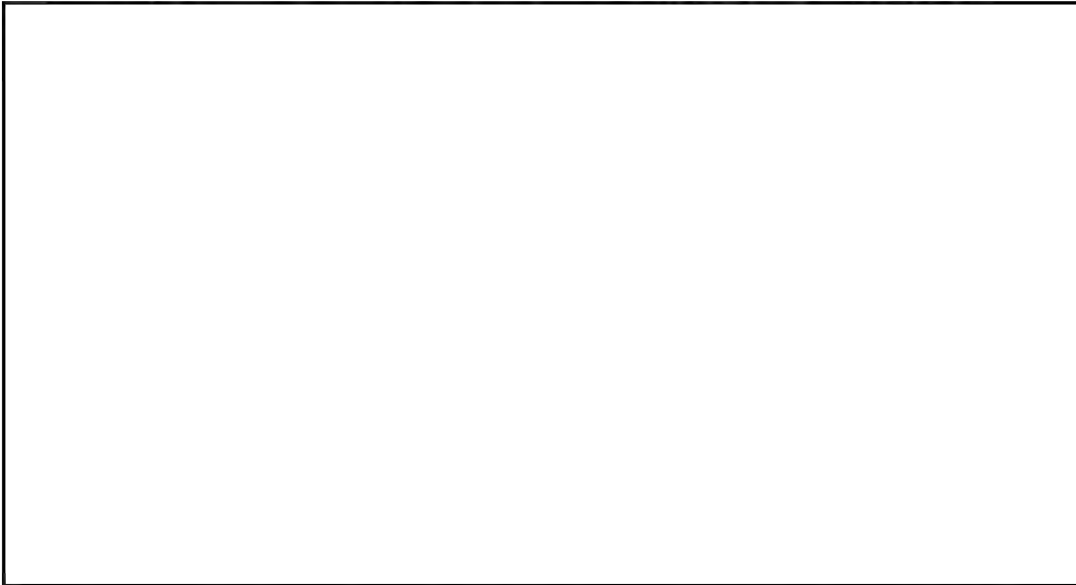
5. Plan [REDACTED]

In early 1946, a considerable portion of the efforts of the Communications Division was being directed toward the betterment

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of SSU communications from a security standpoint. An important part of these efforts was action to offset the



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stations. 15/ By September 1946, this new cable payment plan had been activated for all outgoing Washington traffic to SSU stations using for their communications, and incoming traffic from eleven out of fifteen stations in the Field was also covered. 16/

6. SSU-Navy Liaison

In the transmission of intelligence to and from overseas installations, it was necessary for SSU to rely upon transmission facilities under the jurisdiction of other U. S. Government Departments or Agencies, upon commercial means where feasible, or upon its own facilities where others were not available or were inadequate. Up until April 1946, the facilities of the War Department alone were used, principally since SSU had been a War Department agency and since they were

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adequate to reach all major world areas concerned.

With a rapidly changing postwar communications picture, including the shrinkage of the Army overseas radio and relay networks, the non-use of Naval Communications was imposing definite limitations on the efficiency of SSU communications. In some areas where intelligence personnel were located, Naval communications alone were available. It was determined that arrangements should be made for the establishment of effective working liaison between the Chief of Naval Communications and the Director, SSU. On 17 May 1946, the Director, SSU, and a representative of the Chief, Communications Division, SSU, met with the Chief of Naval Communications, Rear Admiral Earl E. Stone, USN, to discuss such arrangements. 17/ Admiral Stone was receptive to the requirement and indicated that he would lend all possible assistance as specific SSU needs were presented. Appropriate Naval officers were indicated for further contact.

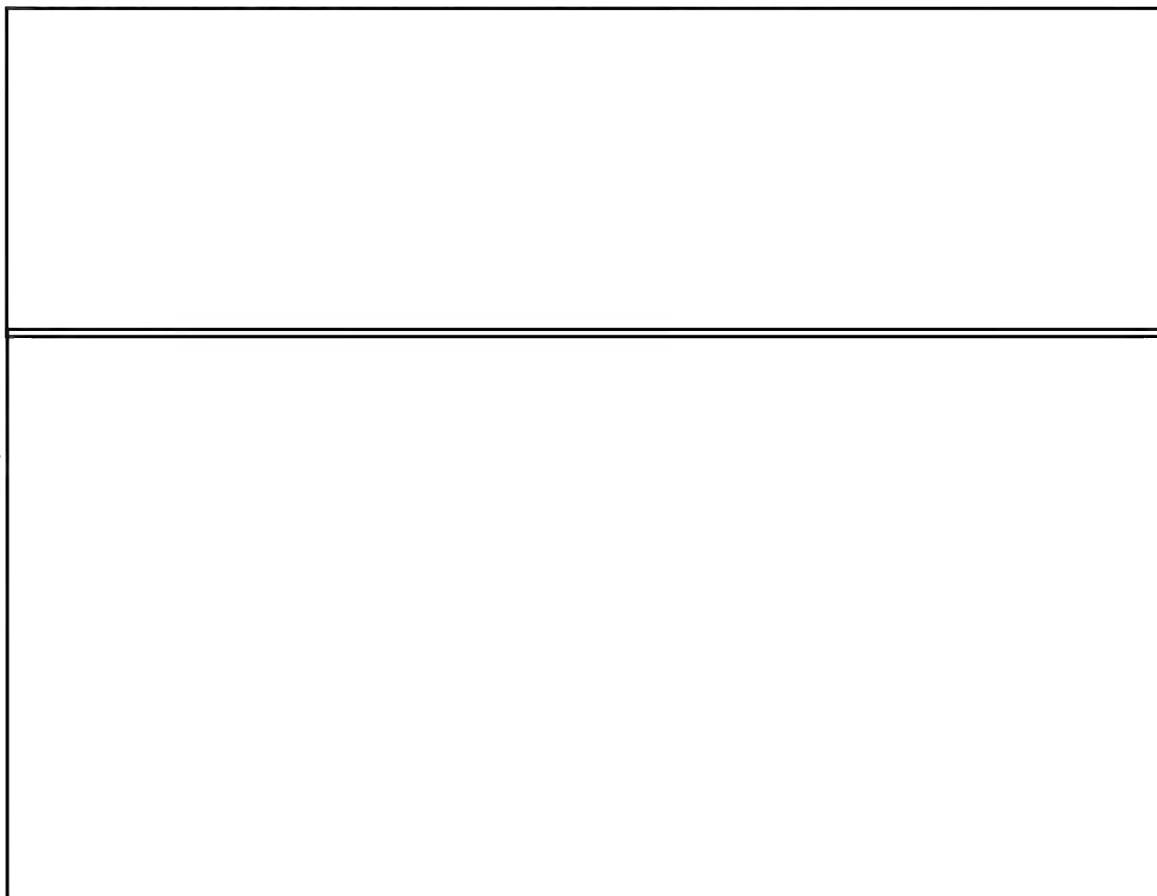
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could determine the desirability of using such facilities to points not covered by Naval communications. The establishment of technical liaison on common communications research problems was a third request. The Chief of Naval Communications approved these requests on 15 July 1946. 19/ This marked the beginning of close and cordial working relations between the communications organizations of Navy and SSU/CIG.



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7. SSU-ASA Liaison

The need for close liaison with the Army Security Agency (ASA) was recognized in the first days of SSU communications.

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While OSS had operated under the Joint Chiefs of Staff (JCS), most of the OSS functions remaining on 1 October 1945, had been placed under the jurisdiction of the War Department, with SSU as the operating Agency. This included communications; and in the first days of SSU, the requirement to readjust communications systems to conform with War Department procedures and practices, with particular reference to security aspects, became immediately apparent.

In a 31 October 1945, letter to the Chief, ASA, 22/ the Director, SSU stated that he had instructed his Communications Officer to review the procedures and practices of the SSU Signal System and to establish the necessary liaison with the ASA in order to insure that appropriate standards of security were maintained in all respects. He stated further that he would appreciate Chief, ASA making available to SSU the advice and help of ASA so that SSU communications facilities might have the benefit of complete liaison.

Chief, ASA, in reply, requested that specific problems facing SSU be indicated. On 7 November 1945, the Director, SSU provided such specifics, as follows: 23/

SSU communications systems must operate in accordance with established and accepted War Department standards of cryptographic and traffic security. Services desired from ASA were: (1) Make a formal inspection of the SSU Washington Signal Center and initiate a system of inspections at regular intervals; (2) Run checks on cryptographic materials produced by SSU for use between its Washington and field offices and consider the advisability of drawing such material from ASA; and (3) Inspect and check methods employed by SSU's Signal Security Control.

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The establishment of formal SSU-ASA liaison was reflected in correspondence of 26 January 1946, from the Director, SSU to the Commanding General, ASA. 24/ This correspondence stated that [] recently relieved from active duty with ASA, had been appointed Special Assistant to the Chief, Communications Branch, SSU. Because of his experience in signal security, he was considered well suited to effect required liaison, previously conducted on an informal basis between SSU and ASA. It was further stated that [] was henceforth to represent Communications Branch, SSU in all matters of common interest between the Branch and ASA.

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F. CREATION OF CENTRAL INTELLIGENCE GROUP (CIG) AND NATIONAL INTELLIGENCE AUTHORITY (NIA)

CIG was created by Executive Directive of President Harry S. Truman on 22 January 1946. This Directive designated the Secretaries of State, War, and Navy, together with another person to be named by the President as his personal representative, as the National Intelligence Authority (NIA) to plan, develop and coordinate all Federal foreign intelligence activities so as to assure the most effective accomplishment of the intelligence mission related to the national security. Each Secretary was directed to assign persons and facilities from his respective Department, which persons were to collectively form a Central Intelligence Group and, under a Director of Central Intelligence, assist the NIA. The Directive further provided that:

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"The Director of Central Intelligence shall be advised by an Intelligence Advisory Board consisting of the Heads (or their representatives) of the principal military and civilian intelligence agencies of the Government having functions related to national security, as determined by the National Intelligence Authority."

NIA Directive No. 2, dated 8 February 1946, stated that the CIG "is hereby constituted and will be activated this date by the Director of Central Intelligence." The initial offices were designated as Director of Central Intelligence, Administrative Section, Central Reports Staff, Central Planning Staff, and Central Intelligence Services.

Admiral Sidney W. Souers was the first Director of Central Intelligence, serving until 10 June 1946, at which time Lt. General Hoyt S. Vandenberg was named to the post. The personal representative of the President in the NIA was Fleet Admiral William D. Leahy.

An important step in the transition from SSU to CIG concerned the control of liaison with Government agencies. In a memorandum dated 26 July 1946, to the Director, SSU, Colonel Donald H. Galloway, USA, Assistant Director for Special Operations, signing "For the Director, CIG," issued the following directive:

"Effective this date, all operational matters involving SSU and Departments and Agencies of the U. S. Government will be handled by the Control Office, Special Operations, CIG.

"All administrative matters involving SSU and Departments and Agencies of the U. S. Government will be handled through appropriate personnel in the Executive Office, Special Operations of the Executive Officer of CIG.

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"Those offices and individuals of SSU that are now conducting liaison with Departments on operational and administrative matters will terminate such contact without delay."

Pursuant to Presidential Directive, on 1 May 1947, Lt.

General Hoyt S. Vandenberg was relieved as Director of Central Intelligence by Rear Admiral R. H. Hillenkoetter, USN.

G. SSU/CIG COMMUNICATIONS

1. Latin American Radio Network

At the time SSU came into being, the FBI, in connection with its Latin American activities dating from the early 1940's, was operating a network of manual CW radio circuits in Central and South America. Radio stations were in operation at fourteen locations throughout that region, with a control station in Washington, D. C.

In 1946, CIG was directed by NIA to assume by 30 June 1947, the intelligence coverage in Latin America that was then performed by the FBI. Involved in this action was the takeover by SSU communications of the radio network. Negotiations for the transfer commenced in July 1946. Under agreements reached, all equipment in the radio stations was turned over to SSU. In lieu of financial reimbursement, SSU replaced in kind the major items of equipment received, based on existing inventories prepared by FBI.

There were three principal factors requiring resolution in the plans for network takeover: (1) personnel recruitment; (2) procurement of radio frequencies; and (3) establishment of a radio base station in the United States.

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Personnel: Recruitment proceeded very slowly for the following reasons. 25/ There was difficulty in interesting skilled technicians at the salaries established. Selection standards were high in an attempt to maintain sufficiently higher personal standards to insure proper meshing with

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An inadequate assessment school staff necessitated postponement of even preliminary interviews for a considerable period of weeks. Long periods of time were expended in correspondence, processing of forms, and particularly in security investigations and clearances.

Radio Frequencies: An initial problem in the transfer of the network concerned the procurement of radio operating frequencies for SSU stations. Frequency allocations to Government agencies were controlled by the Interdepartment Radio Advisory Committee(IRAC) composed of about twelve members from various Government organizations. Official clearance by this body was necessary before SSU (CIG) could use any frequencies. However, the over-all frequency situation was such that allocation of frequencies to CIG would require withdrawal from some other user. In the face of this situation, it was determined which frequencies the FBI was using for the network; and on 18 December 1946, the Director of Central Intelligence addressed a letter to the Director, FBI (J. Edgar Hoover) requesting that he indicate his willingness to release the frequencies so that CIG could make

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formal application to IRAC for reassignment to CIG. On 3 January 1947, Mr. Hoover agreed to the release of several frequencies, subject to the shared use by CIG and FBI until CIG has assumed complete operation of the network. Based on FBI's agreement, a formal request to IRAC followed; and in its meeting of 6 February 1947, IRAC approved the allocation to CIG of the former FBI frequencies. 26/

U. S. Base Station: The FBI radio base station in the United States was not made available to SSU in the transfer. It became necessary, therefore, to arrange for other facilities. The possible use of [] facilities to provide a U. S. terminal for the [] stations was first explored, and it was determined that satisfactory arrangements could not be made. The problem was next presented to

[] As a result, by early November 1946, an agreement was reached between [] and CIG whereby facilities of the [] and transmitter [] CIG operators would man operating positions at [] using [] facilities and keying transmitters at [] Landline teletype would connect [] and CIG Headquarters Signal Center in Washington.

The orderly transfer of responsibility for Latin American intelligence operations from the FBI to CIG was complicated by persistent attempts of the Director, FBI to withdraw his personnel from the area before CIG was prepared to take over.

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Although CIG desired to take over at the earliest possible date, that agency repeatedly emphasized that a reasonable time was required to recruit, train, and introduce competent personnel and proper facilities, and that, to avoid lapses in operations and to insure continuity of intelligence production, withdrawal of FBI personnel should not take place without consultation and agreement by CIG. The Director, FBI on the other hand felt that if the FBI were to get out of Latin America, it should get out as quickly as possible. Consequently, he announced the closure of certain offices without prior assurance that CIG was able to meet the projected FBI withdrawal dates. A long series of correspondence exchanges between FBI and CIG and many conferences between representatives of the two agencies took place during the period July-September 1946. At the height of the difficulties, the NIA on 8 August 1946, addressed a letter to the Attorney General of the United States, reporting on the situation and requesting that the Director, FBI be instructed to retain his personnel in the Latin American countries until the CIG was able to assume responsibility. 27/

In December 1946, an accelerated schedule was established for entry of CIG into Latin America. CIG offices in seventeen locations were included, with radio stations planned in thirteen. The Communications Division was working toward activation of radio stations as CIG offices opened. [] already was open, [] [] was scheduled for 20 January 1947, and other offices were

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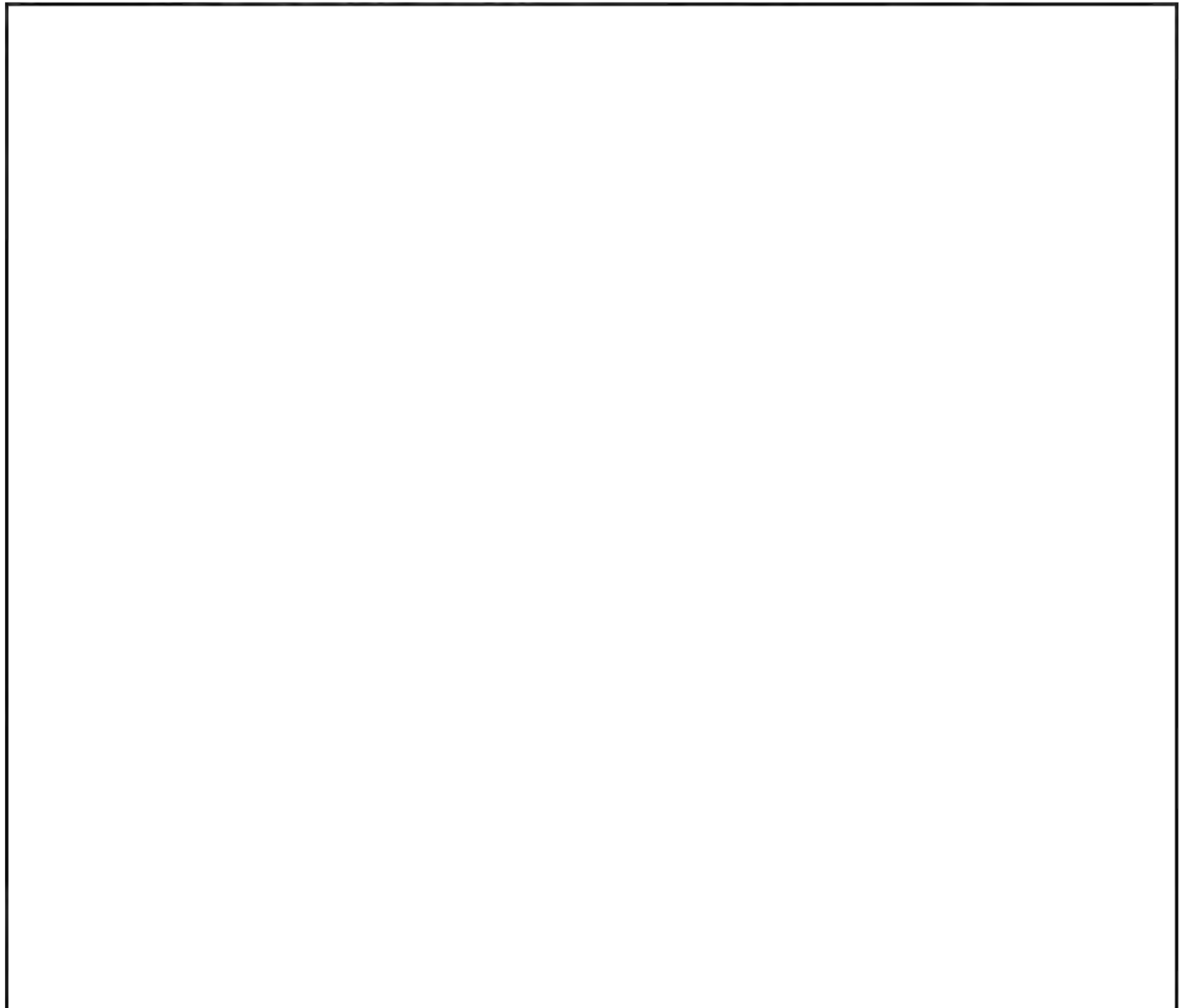
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phased over the next three months, with the final office,

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[redacted] to open on 14 April 1947.

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bility. This general information bulletin was transmitted from the Washington base station and received by the operators at the various posts. 28/

By mid-June 1947, cipher communications had been established with all seventeen projected Latin American CIG stations except

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[redacted] All planned radio stations were in operation except those at [redacted]

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[redacted]. 29/

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In the interests of security, CIG imitated so far as possible the radio procedure previously used in the FBI network. FBI frequencies which could be made legal for use in the United States were retained by the base station, while in South America such frequencies were retained as had not been rendered useless by spectrum and propagation changes. The exact call letters used by the FBI throughout Latin America also were retained. Although the Washington base station could not legally use FBI's call signs, regularly assigned U. S. Government call letters were used.

By September 1947, the network had been operating under CIG for several months, and the use of [] facilities operated by CIG personnel had not proven entirely satisfactory. Consequently, efforts had been underway for some time to locate sites for independent CIG radio receiving and transmitting stations to replace the [] arrangement. 30/ A suitable receiver station location was found at

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[] on a site formerly used as a [] radio station. 31/ A transmitter site was located in a radio station area formerly used by the []

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[] 32/ Authority for the use of these sites was obtained, approval was received to establish the radio stations, and plans went forward accordingly. The factors bearing most directly on the decision to establish self-contained CIG facilities were improved security, control,

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flexibility of operation, and possibilities for expansion.

The cryptonym was assigned to the new transmitter station and to the receiving station.

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By letter to the Director, CIG, dated 8 July 1946, and signed by W. K. Scott, Chief, Division of Communications and Records, the Department of State requested the establishment of a radio network to tie together specified posts in the Middle East. 36/ Mr. Scott stated:

"For some time past the SSU has been of aid to the Department of State in supplying communications facilities at certain Foreign Service locations in the Near and Middle East.

"There is a continuing need for better inter-communications between our missions in the Near and Middle East and for better communications between the Department and certain of these posts not serviced by the U. S. international communications carriers. In addition, there is always the necessity for provision of emergency communications in case of breakdowns in the available communications facilities.

"In view of the foregoing and with the knowledge that the SSU has offered assistance in the solution of such problems of national interest, it is thought possible that they may be in a position to provide a small self-contained network to perform the service mentioned in the above paragraph for certain Middle and Near Eastern State Department posts. This would eliminate the frequent spot requests made by the Department of State for aid at individual posts. [REDACTED]
[REDACTED]

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In a letter to the Assistant Secretary of State, dated 25 July 1946, 37/ the Director of Central Intelligence replied, "The facilities requested will be provided as soon as personnel and equipment can be procured and sent overseas. It will not be possible to establish a radio station at [REDACTED] However, it is understood that satisfactory [REDACTED] communications are available at this point." The commitment was undertaken in the realization

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[REDACTED]

be handled thereby with desired efficiency, with marked economy compared with normal commercial cable costs, and especially with greater security against interruption of service during crises.

The network replaced for the Middle East area the carrier facilities only (or part of them) which had been furnished during World War II by the communications contingent of overseas missions and during the peace in occupied areas. It did not replace other services, chiefly of a covert nature, which continued to be furnished by the Communications Division independent of the Middle East net project.

From the standpoint of CIG operations people, a major value of the network was considered its availability in case of emergencies in the critical Middle East area. The technical plans for the net, therefore, gave heavy cognizance to provision of facilities which would provide uninterrupted communications in emergencies where other communications channels were unavailable to U. S. officials in the area.

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In August 1946, an SSU officer was sent to the Middle East on temporary duty to arrange for the transfer to SSU of certain Army radio equipment then located in [] and other points. 38/ This equipment, supplemented by that shipped directly from the Continental U. S. A., was to be used for the radio network.

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During September 1946, [] arrived in

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[] to establish his office as Acting Chief, Communications,

[] 39/ [] operated as technical adviser to

CIG Station Chiefs on all matters relating to the []

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Radio Network. [] relieved [] as Acting

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Chief, Communications, [], about August of 1947.

It was decided to make [] the network control

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point and to handle all traffic to and from the United States

over an automatic channel from there. As SSU operated no

transoceanic facilities, authorization was obtained for a

radioteletype circuit between []

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[] By 20 January 1947, [] was in regular manual con-

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tact with [] and by June, []

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[] had been added to the network. Equipment short-

ages delayed the projected automatic circuit between []

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and [] and as late as 13 June 1947, this channel was still

operated manually.

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This set was for emergency use only and remained in a sealed pouch stored in a locked cabinet. In August, a small radio station was set up at [] also for emergency use only, to be operated by the [] operator in case of disruption of normal communications service. 43/

By memorandum dated 11 July 1947, to the Chief, Communications Division, the Assistant Director for Special Operations set forth as follows revised procedures for the operation of communications projects in the Middle East:

"The Communications Project in the Near East was established in advance of most [] stations in that area at the request of one of the member agencies under NIA.

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"With the establishment of stations throughout the Middle East for CIG operations, it is deemed advisable to bring communications personnel and equipment under the respective Station Chiefs for security, administrative and operational direction.

"In accordance with the above, the former communications projects will no longer operate as independent units, but will be integrated with the Foreign Branch operations, subject to control of the respective Station Chiefs."

A major hurdle in development of the Middle East Network was the difficulty encountered in personnel recruitment. In connection with this problem, the Acting Chief, Operations Section, Communications Division []

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[] made these comments on 1 July 1947: 44/ "None of our overseas organizational charts is completely filled, and the Middle East chart is very short of its required strength. As

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the Middle East posts are extremely difficult for American personnel, both physically and mentally, replacements will be necessary in the near future." Factors contributing to the recruiting difficulties of the time were: (1) Radio personnel in the United States were more settled than they had been a year previously; many now had satisfactory jobs, and become more soundly readjusted after the long years away at war, and, as a result, were no longer as receptive to an overseas job offer. (2) Several commercial companies had been draining the pool of personnel willing to go overseas with some very good job offers.

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(b) Maintenance and Supply

In a report dated 1 October 1946, the Communications Officer, China, stated, "The most important work for the future

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25X1A is the building up of [] as a field supply base and maintenance center for communications equipment." 48/ By 1 December, this center was functioning as planned. However, in early January 1947, plans had been made for the reduction of the [] SSU station, and the communications Field Supply Depot was to be transferred to [] and the communications personnel redistributed. As of 1 July 1947, the phasing out plan for China called for the transfer of SSU headquarters to [] as the final base of operations. Consequently, all surplus communications equipment in the field stations was being shipped to [] Equipment not disposed of in [] also was to be sent eventually to [] 49/ Contacts were made with [] [] other Government agencies in regard to the disposal of communications equipment.

(c) Radio Network

In the China Theater in January 1946, there was a radio network of thirteen stations, with all circuits but one being SSU operated. This network included [] as the focal point and sub-stations in []

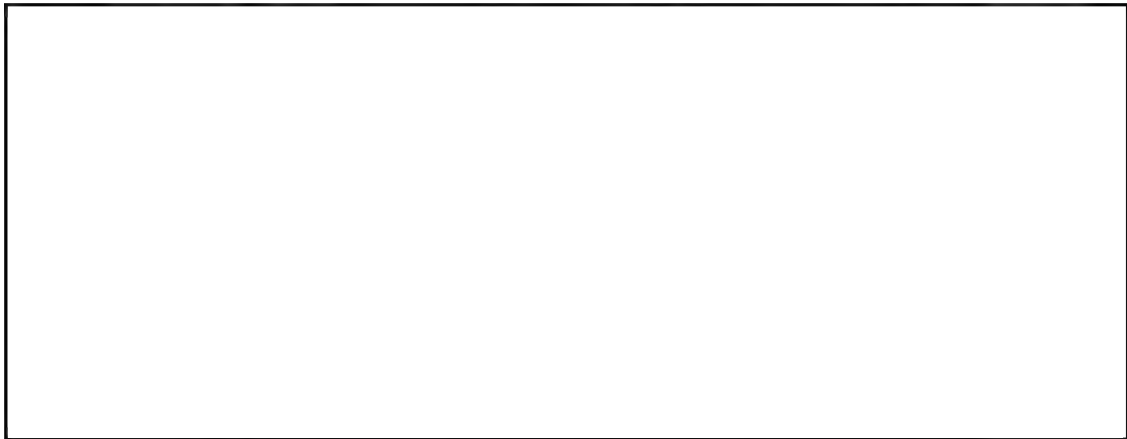
[]

As of 1 July 1946, the SSU China Radio Net had been reduced to the following: [] had direct circuits with

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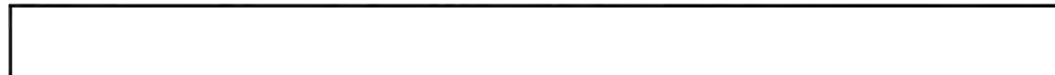
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About 1 October 1946, a new plan for operation of the radio network was developed. 51/ This provided for a continuous watch by the six major stations in the Theater

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from 0830 to 1200 and from 1300 to 1700 daily, and from 1000 to 1200 on Sunday, local time. This enabled all stations to communicate with each other at any time during watch hours and thus pass traffic immediately after it had been enciphered.


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Secondary stations  could call into the



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with  continued their lateral

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schedules. In addition,  scheduled two field stations

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and  one. All stations in the China Mission were overt, except the field stations (agent operated) which were considered semi-covert. As of 1 December,  was working three field

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stations, at 

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As of 10 March 1947, [] was no longer included in the net. One each agent-type field station per day was being worked by []

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By mid-1947, the cut-back in activity was more pronounced; and the radio net had been reduced to include []

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[] on full watch schedule, with [] ed watch. From the agent stand-

point,

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and one

traffic

positions. 52/

(d) Cache Plan

A communications Cache Plan for China was set up in 1947. The original plan called for the deposit of complete sub-base radio station equipment in nine cities in []

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Caches were completed

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Upon evacuation

the Fall of 1947, this cache was removed.

4. India-Burma/Southeast Asia

In the first days of SSU, the Headquarters of the Southeast Asia Command (SEAC) and SSU Headquarters for the area were located at [] An SSU radio station was operated there. As of 18 November 1945, SSU radio circuits in SEAC consisted of []

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[REDACTED]

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teletype link also was operated. SSU traffic to Washington was handled [REDACTED] This was the general configuration of SSU circuitry in the India-Burma (IB) Theater and SEAC at the end of 1945. 53/ At that time, the SSU radio station [REDACTED] was liquidated in connection with the move of SEAC and SSU Headquarters to [REDACTED]

At mid-January 1946, SSU circuitry had changed as follows: 54/

[REDACTED]

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[REDACTED] Connecting to the China

Theater was an SSU radio circuit [REDACTED]

The phase-out of SSU communications in IB/SEAC in 1946, was

quite rapid. SSU stations were closing; and by mid-June, [REDACTED]

[REDACTED] were the only points in IB/SEAC serviced by SSU communications. 55/ By September 1946, only two communications personnel remained in the area. 56/

5. Europe

(a) European Radio Base

As of 1 May 1946, the Communications Division, SSU, in close liaison with technical services of the Chief Signal Officer, War Department, was conducting experiments with small, low-power

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radio equipment particularly adapted for clandestine intelligence operations to obtain information as to the ultimate capabilities of such equipment. Satisfactory completion of the experiments required extensive transoceanic tests. It was proposed to establish an overseas SSU experimental base station for this purpose. The initial intention was to place this station in []

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[] under the administrative control of the Chief Signal Officer, Mediterranean Theater of Operations, and arrangements went ahead. 57/ However, unforeseen changes in the military establishment in the Mediterranean Theater necessitated a change in plans.

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[] Communications Officer for SSU, Europe, arrived at his Headquarters in [] on 11 July 1946. He was appointed to serve as technical consultant on communications matters for all missions and stations in Europe. 58/ One of his first projects was to prepare a staff study for presentation to the Chief of Staff, U. S. Forces European Theater (USFET), covering establishment of a station in the American Zone

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[] for SSU communications experiments. This was the base originally planned for [] Concurrence was received from the Commanding General, USFET, on 20 August. 59/ A survey of possible sites for the installation of the base radio station followed.

A radio officer and four radio operators reached [] during August to implement the project. Additional personnel and

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equipment were assembled in the United States for shipment to [] and equipment previously assembled in [] was transferred to []. To provide for any possible emergency before completion of the projected communications base, a small radio station was established at [] station had installed RTTY receiving equipment by March 1947. 60/ The

[]

It was not until mid-1947 that plans for the major European base station, replacing [] had officially crystallized. Adequate sites had been located at []. The Assistant Director for Special Operations, CIG, approved the plans on 18 August 1947. 61/ The installation at [] was to have two primary functions: (1) the handling of experimental transmissions from the United States, and (2) the handling of clandestine and other approved radio circuits. []

[]

(b) Processing Procedure, European Projects

With the establishment of a Communications Officer,

[]

and partially as an outgrowth of a July

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25X1A 1946, conference of SSU Mission and Station Chiefs held in [] the Communications Division, Washington, in coordination with appropriate Foreign Branch Chiefs had, in August 1946, established a formal procedure for the processing of radio projects in the European Theater. 62/

25X1A This procedure provided that for projects controlled by [] the basic operational plan was forwarded to Washington for approval. Once approved, it was the responsibility of the Communications Officer, Europe, to handle all negotiations relative to communications directly with the station concerned, with Washington being kept advised of progress and assisting with personnel and equipment where required.

For projects in areas less accessible to the Communications Officer, [] 25X1A the primary responsibility for all communications activity rested with Washington, which offices, in turn, coordinated where necessary with the Communications Officer, Europe.

6. Training

(a) Crypto

The Security and Control Section of the SSU Communications Branch conducted on a regular basis a training course for cipher clerks assigned to overseas installations and to the United States. In addition, special communications training was provided

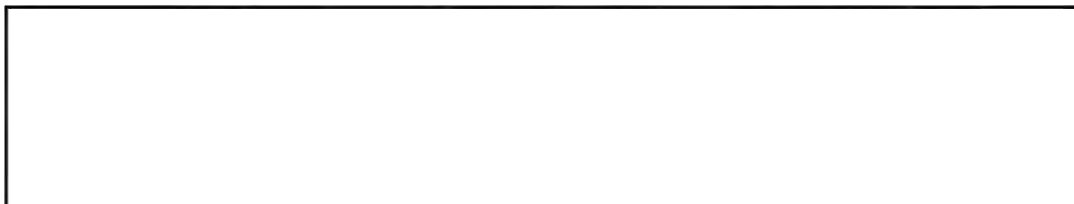
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for personnel from the foreign operational branches of SSU. 63/
This training expanded and carried over into CIG. By the time
CIG became CIA, a comprehensive curriculum was being given under
the Cryptographic Training Unit of the Signal Security Section,
Communications Division. The course included instruction in
both off-line and on-line systems, routing of messages, headings,
prosigns and procedures, external message set-up, security pre-
cautions, teletype equipment, and, as time permitted, tape reading.
The student became familiar with pertinent instructional documents
and sent and received messages, some with garbles, some without.
At about the time CIA was formed, plans were being made to provide
the student greater participation in Headquarters Signal Center
activities, especially machine operation. Facilities for typing
instruction were maintained; but in the six weeks' course, time
for achieving real typing skill was limited.

(b) Radio

With the closing of the OSS training activities at



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no formal facilities for training radio operators. Training pro-
vided during the SSU/CIG years was conducted in various locations
in the Washington, D. C., area wherever classroom space could be
found.

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and Briefing. 68/ The essential points were as follows:

Semi-Covert Personnel: The Communications Division was to be consulted when the operational plan for each semi-covert operation was being prepared. If communications training was required, requests were to be routed through the Chief, Training Branch to the Communications Division, and these two offices would work out the training schedule. If any briefing in communications was required, the Communications Division was to notify the Foreign Branch and arrange for this.

Deep-Cover Personnel: The Communications Division was to be consulted early in the planning stage for each deep-cover operation. If communications training was required, the time schedule and meeting places were to be arranged by the Training Branch in consultation with Communications. Arrangements for any final briefings upon completion of the training period were to be arranged directly with the Communications Division.

7. Security

A major step in improved cryptographic control within SSU was taken in Staff Memorandum No. 49 of 17 May 1946. This directive provided that the Cipher Distribution Office, Signal Security and Control Section, Communications Division, would assume accountability for all cryptographic documents and equipment purchased or constructed by the Strategic Services Unit. This procedure was adopted to afford the highest degree of security for all cryptographic documents and devices controlled by the SSU.

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With the advent of CIG, this action was reaffirmed and strengthened in December 1946, Subject: Responsibility for Communications Documents, Equipment, etc." This Order provided the following:

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- (1) The Communications Division, Personnel and Administrative Branch assumed accountability for all cryptographic documents and equipment procured, used, or constructed by CIG
- (2) The Communications Division was the Office of Records for all cryptographic documents and devices issued to CIG by other Governmental agencies or departments. No cipher material, equipment, or methods were to be employed by any CIG activity except those which had been authorized and issued by the Communications Division.
- (3) All activities of CIG requiring any type of communications equipment or facilities were to obtain the prior approval or authorization of the Chief, Communications Division or his authorized representative, prior to the initiating of a request to any Governmental department or agency or private concern in order to fulfill the requirement.

8. Clandestine Operations

(a) General

In discussing "Assets of SSU for Peacetime Intelligence Procurement" in a memorandum dated 15 January 1946, to Major

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General S. Leroy Irwin, War Department, the Director, SSU made the following comments about communications: 69/

"Clandestine intelligence procurement requires highly specialized rapid and secure communications, maintained throughout with complete secrecy and concealment of equipment. The SSU Communications Branch is staffed by personnel who have served with it since its start. Overseas, Communications was an integral part of operations, and the Branch was responsible for communications training of agent personnel and for establishing all types of communications links. Techniques and equipment were developed to protect the agent transmitting from deep inside enemy-held or occupied territory. Working in close cooperation with Army and Navy laboratories, research has been carried out with the most advanced electronic and specialized equipment, both manual and automatic, to adapt devices conceived for war conditions to permit new scope for peacetime clandestine activities. The expert technicians undertaking this research are still with SSU or are largely recoverable."

Clandestine communications operations, in the true sense, were at a low ebb in the years immediately following World War II. Problems of recruiting, border crossing and other infiltration difficulties, and limitations placed by the Director, SSU on the use of radio for such purposes were factors retarding clandestine effort. What activity did exist was for the most part directed towards development of stay-behind assets and sleeper circuits.

There was continuing general support to the foreign branches involving various types of equipment (DF, walkie-talkies, recording, agent radio, etc.), and including cooperation in planning clandestine efforts with foreign services. These types of endeavor were particularly evident in the

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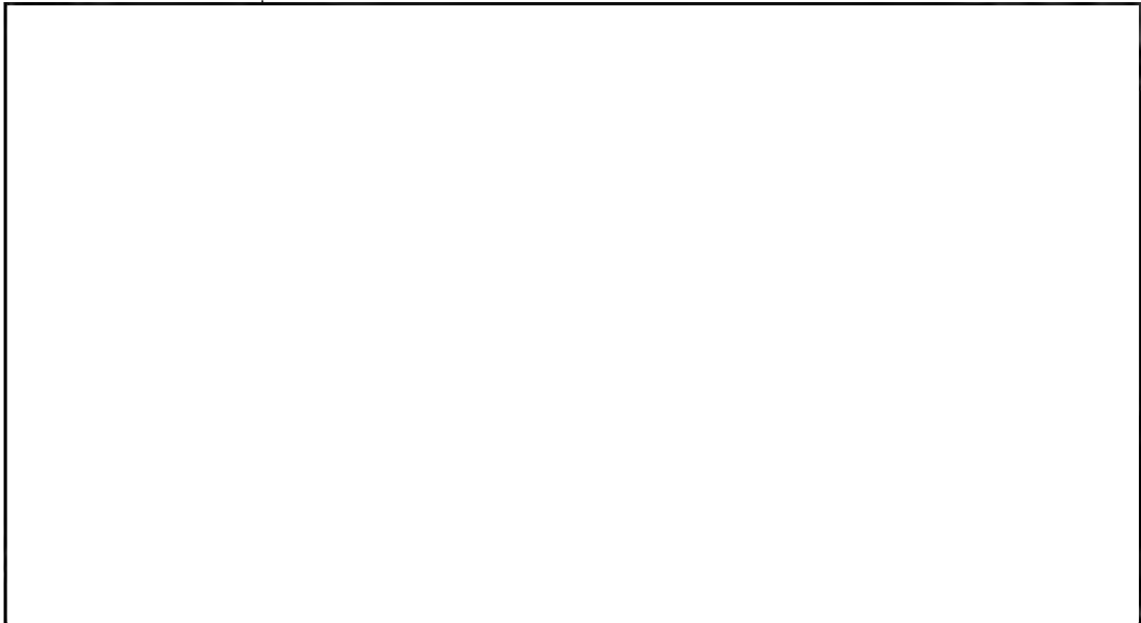
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[REDACTED] In addition,
there were various projects which (1) never were fully developed
operationally, or (2) did not get off the ground. Representative
of the first group was a [REDACTED] involving an

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Project. A summary of this, and examples of other types of
active projects in the 1946-1947 era, follow.

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25X1C

H. LIQUIDATION AND TERMINATION OF SSU

1. Liquidation

NIA Directive No. 4 dated 2 April 1946, set forth policies and procedures relating to the liquidation of the SSU:

"The national interest demands that the complete liquidation of SSU shall not be accomplished until it is determined which of its functions and activities are required for the permanent Federal foreign intelligence program, and should therefore be transferred to the Central Intelligence Group or other agencies in order that its useful assets may not be lost. Such determination and transfer shall be made and the liquidation of the remainder of SSU shall be completed as promptly as possible and prior to 1 July 1947."

On 6 April 1946, the Acting Secretary of War (Howard G. Petersen) issued the following directive to the Director of the SSU:

"Effective immediately, you are directed to continue the liquidation of the Strategic Services Unit (SSU) as ordered in paragraph 3 of the Executive Order dated 20 September 1945, subject: Termination of the Office of Strategic Services and Disposition of its Functions. The liquidation will be completed not later than 30 June 1947."

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2. Termination Order

All SSU operations were officially terminated by

"1. Effective 2400, 19 October 1946, all operations of the SSU are terminated.

"2. Administrative activities incident to disposition of personnel, materiel, records, claims, settlements, etc., will be continued until final and complete liquidation of the SSU is effected at a later date."

On 1 November 1946, the Director of Central Intelligence asked that the remaining property, supplies and equipment of SSU be transferred to CIG, and SSU agreed.

3. Arrangements for Handling Residual Affairs

By memorandum to the Assistant Secretary of War, 11 April 1947, the Director, SSU (Colonel Quinn) reported on the status of SSU liquidation and requested to be relieved as Director. He also indicated that some provision for the handling of the residual affairs of OSS-SSU was necessary. This memorandum stated, in part:

"All civilian personnel of SSU have been terminated and military personnel have been transferred or reassigned. Foreign missions and stations were liquidated as SSU installations on or before 20 October 1946.... Experience indicates that claims and inquiries arising out of past operations of OSS-SSU will continue, and no accurate estimate can be now made of their number or when they will come."

Colonel Quinn was relieved as Director, SSU as of 16 April 1947. On the same date, the Assistant Secretary of War designated Colonel Donald H. Galloway as Director, SSU, "until final liquidation of said unit, unless earlier relieved. This

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is in addition to your other duties with the Central Intelligence Group." Colonel Galloway was at that time Assistant Director for Special Operations, CIG.

4. Communications

All communications functions and activities remaining at the 19 October 1946, termination of SSU were transferred to or absorbed by CIG. Selected personnel, as well as circuitry, equipment and such installations as were destined to be continued, were included in this transfer; and the change for the most part was in name only.

Preparations for assumption of responsibilities by CIG had been underway for some time prior to 19 October. For example, the Communications Division monthly report for September 1946, states: 76/

"Activities during the month were largely concerned with the liquidation of present SSU commitments and the arrangements for a transfer of functions to the equivalent unit within the Central Intelligence Group. Consistent with the imminent change, liaison channels are being established with all major CIG components."

As of 30 September 1946, in the final days of SSU operation, communications personnel totals were as follows: 76/

Continental U. S. A.	97
Pending Shipment Overseas	6
Europe	33
NETO	8
IB-SFAC	2
China	45
Total	<u>191</u>

In September 1946, traffic volumes had dropped materially from the early SSU days. For example, the Washington Message

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Center was handling about 9,700 groups per day as compared with over 20,000 in January. 77/

I. CIG COMMUNICATIONS

1. Organization

CIG Personnel Order [] of 11 September 1946, announced the appointment of [] as Chief, Communications Division. As assimilation of selected SSU personnel continued, many SSU communications personnel received official appointment to CIG. By late October 1946, the former SSU Communications Division Chief, [] [] had assumed duties as Deputy Chief, Communications Division, CIG.

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Pursuant to CIG Directive [] of 19 July 1946, (Reorganization of CIG), CIG Administrative Order [] of 22 July 1946, defined the organization and functions of the Executive Office. The Personnel and Administrative Branch, under the Executive for Personnel and Administration, included a Communications Division, with responsibilities as follows:

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25X1

1. Provides all communications service for CIG.
2. Operates a message center.
3. Operates a mail room.
4. Maintains central records and files.
5. Provides cable service.
6. Provides courier service on a world-wide basis.

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7. Conducts necessary specialized research to provide safe, efficient communications for operating offices.

Based on agreements reached between representatives of the Executive Officer for Personnel and Administration and of the Assistant Director for Special Operations at a conference on 21 January 1947, a new modus operandi was adopted for the Communications Division. 78/ The basic factors governing the new system of operation were as follows:

1. Specific personnel comprised the Communications Section, Projects Support Division (PSD), Office of Special Operations (OSO), while others comprised the Communications Division, Personnel and Administration Branch (P&A). 79/

2. The Chief, Communications Division, P&A []
[] exercised over-all control of all communications within CIG, including those of OSO.

25X1A

3. The Chief, Communications Section, PSD []
also served as Deputy Chief, Communications Division, P&A.

25X1A

4. Communications Section, PSD, was responsible primarily for the communications requirements of OSO, but it could undertake specific duties for other branches and offices of CIG.

5. The Communications Division, P&A, was responsible for the communications requirements of CIG except OSO.

6. The split between P&A and PSD was for intra-agency purposes only. For presentation to the Civil Service Commission and other extra-agency purposes, there was only

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one Communications Division, CIG, under P&A.

The over-all Communications Division was described on 27 February 1947, in a statement of functions prepared by the Chief, Communications Division, as follows: 80/

"The Communications Division, P&A Branch, consists of eight sections whose duties are briefly outlined below:

"1. The Office of the Chief: Responsibility for the over-all operational and administrative control of the Communications Division rests with this Office. High-level liaison with Communications activities in Government and commercial agencies is maintained by specially-designated personnel through the Office of the Chief. The Central Files for the Division, and all personnel and administrative records are the responsibility of clerical assistants. Administrative assistants coordinate the recruiting of personnel and their processing for domestic and/or overseas assignment.

"2. The Signal Center: All CIG traffic is encoded and decoded in the Signal Center which also has facilities for the transmission of traffic to Government and commercial carriers. Incoming and outgoing traffic is processed for distribution within the agency. Units of the Signal Center include: Cipher Unit, Processing Unit, Means Unit and the Traffic Control Unit.

"3. The Signal Security Section: Four main units comprise the Signal Security Section.

a. Cryptographic accountability and distribution unit.

b. Statistical records (including traffic figures, cable costs records).

c. Cryptographic Training Unit.

d. Physical and cryptographic security unit.

"4. Central Records: Central Records is responsible for the CIG mail room, for all courier service within and outside the agency, for the maintenance of Central Files

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for CIG, for the registering and routing of all CIG mail and pouch material.

"5. The Research and Engineering Section: Communications equipment is developed, maintained, tested, inspected and engineered in fully-equipped laboratories.

"6. The Operations Section: This Section is responsible for the planning of communications operations overseas, for the assembly of technical data relating to overseas installations and for the maintenance of up-to-date information on world-wide communications facilities. A radio training program is also included in the activities of the Operations Section.

"7. The Signal Property Control Section: All communications equipment is stored, packed and distributed from the Communications Warehouse, Bethesda. The Section is also responsible for the proper accounting and control of all communications equipment in all installations, both domestic and overseas.

"8. Telephone Switchboard: Complete telephone service for all CIG office and staff echelons is furnished by the Communications Division."

25X1 CIG General Order of 18 June 1947, announced changes in the CIG organization and functions, effective 1 July 1947. The functions of the Communications Division, Personnel and Administrative Branch, were transferred to the Office of Special Operations, except telephone, central records, and courier service. It was stated that "OSO will provide adequate communications security and support of all of CIG." This spelled the end of the split operation (P&A and PSD) and centralized the Communications Division in OSO.

Although the Communications Division was responsible not only for servicing the requirements of OSO, but also for providing complete communications support to all other components of CIG, it

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is interesting to note that an estimated budget for Fiscal Year 1949, as prepared in August 1947, showed that commitments for non-OSO functions were less than 10 percent of the entire figure. 81/

A memorandum from the Administrative Officer, Communications Division, dated 5 August 1947, shows a T/O of [] for the Communications Division, OSO, and indicates that the Division had been granted a ceiling of [] civilians and [] military positions through 31 December 1947. 82/

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The Communications Division, CIG, and SSU before it, operated a communications warehouse at [] while the main SSU/CIG warehouse was at []

25X1A

In May 1947, plans were completed calling for the transfer of communications stocks at [] to space set aside at []

25X1A

[] for the Communications Division. 83/ It was not before December 1947, however, that [] was completely closed out.

25X1A

2. FBIB

The Foreign Broadcast Information Branch (FBIB) of CIG was responsible for providing to intelligence offices a prompt and comprehensive news, intelligence information and propaganda survey service based on the monitoring of foreign radios and press. Although responsible for the operation of its own facilities, it received support from the Communications

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Division of the Personnel and Administration Branch in such matters as arrangements for communications channels for the transmission of its monitored material to Washington and other points, provision of cryptographic materials and instructional documents, cryptographic training and clearances of personnel, procurement of equipment, and technical planning. However, as of early 1947, the delineation of responsibilities had not been too sharply defined.

On 29 April 1947, as a result of a meeting held among representatives of FBIB, the Communications and Services Divisions of the Personnel and Administration Branch, and the Executive for Personnel and Administration, a Memorandum of Understanding relative to procedures and policies in support of FBIB was formalized. 84/ This agreement contained the following basic provisions:

1. Communications Facilities and Traffic Handling:

FBIB would present all problems of these types to the Communications Division for determination. Communications, in conjunction with FBIB, would initiate studies of the problems and where necessary make inquiries as to availability of facilities and services from Army, Navy, State, or commercial communications organizations. General FBIB communications problems would be presented to the Communications Division for consultation, technical advice, and investigation.

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2. Communications Supplies and Equipment:

FBIB would present specific requirements to the Communications Division for discussion with Communications Engineering and Supply personnel in order to determine how such requirements could be most efficiently and economically met. All items which could not be furnished from Communications stocks would be procured by the Services Division. FBIB would, as nearly as possible, forecast requirements in consultation with the Communications Division in order that procurement on items of common interest and replacements for items withdrawn from Communications stocks could be handled as efficiently as possible. FBIB would be accountable for its own equipment. All formal commitments involving expenditure of funds would be handled by the Services Division.

3. Liaison with Department of State

Official liaison between CIG and the Department of State on cryptographic matters was formally established in September 1946, with specific individuals in the Department designated to deal with CIG Communications on mutual problems. 85/

J. CREATION OF CIA

The National Security Act of 1947 (61 Stat. 495), approved 26 July 1947, provided for the establishment of a Central Intelligence Agency (CIA) under the new National Security Council, in the Executive Office of the President. The National Intelligence Authority and its Central Intelligence Group ceased to exist; and

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the personnel, property, and records of the latter were transferred to the CIA.

25X1 The Central Intelligence Agency was officially activated as of 18 September 1947. CIG issuances, as appropriate, were renumbered into a CIA system of issuances and were amended in conformance with the organization and statements of functions as set forth in Official CIG Organization Charts dated 1 July 1947. CIA General Order reads, "Effective 26 September 1947, the Central Intelligence Group is established as the Central Intelligence Agency...."

From the standpoint of Communications, much of the transition from OSS to CIA had consisted of organization changes only, for communications facilities and operations were continuing requirements, whether functioning under the aegis of OSS, SSU, or CIG.

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ORGANIZATIONAL CHRONOLOGY

20 September 1945	Executive Order 9621 terminates OSS	
27 September 1945	Secretary of War creates SSU	
12 October 1945	SSU General Order [] presents provisional organization chart for SSU. Communications Branch is under Assistant Director for Intelligence.	25X1
18 October 1945	SSU Special Order [] announces assignment of [] as Chief, Communications Branch, vice [] relieved.	25X1 25X1A 25X1A
9 November 1945	SSU General Order [] Office of Assistant Director for Intelligence is absorbed in the Director's Office and Office of the Deputy Director, SSU is established. Communications Branch now reports to Acting Deputy Director.	
10 December 1945	SSU General Order [] presents revised organization, superseding General Order [] There is now an Operational Auxiliaries Branch, under which Communications falls. The Communications element becomes the Communications <u>Division</u> .	25X1 25X1
22 January 1946	President Truman creates a National Intelligence Authority, which is to formulate a Central Intelligence Group.	
8 February 1946	NIA Directive [] states that the CIG "is hereby constituted and will be activated this date by the Director of Central Intelligence."	25X1
2 April 1946	NIA Directive [] sets forth policies and procedures relating to the liquidation of the SSU.	25X1

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10 May 1946	SSU Special Order [] designates [] as Chief, Communications Division, relieving []	25X1 25X1A 25X1A
17 June 1946	SSU General Order [] announces new SSU organization, superseding that established 10 December 1945. The Communications Division remains under the Operational Auxiliaries Branch.	25X1
22 July 1946	Pursuant to CIG Directive [] (Reorganization of CIG), CIG Administrative Order [] defines the organization and functions of the Executive Office. The Communications Division appears under the Personnel and Administrative Branch.	25X1 25X1
July 1946	[] establishes office as Communications Officer, SSU, []	25X1A 25X1A
August 1946	[] assumes command of the Communications Section, SSU, [] relieving []	25X1A 25X1A 25X1A
September 1946	[] to establish office as Acting Chief, Communications, []	25X1A 25X1A
11 September 1946	CIG Personnel Order [] announces the appointment of [] as Chief, Communications, Division.	25X1 25X1A 25X1A
19 October 1946	SSU General Order [] terminates all SSU operations effective 2400, 19 October 1946. All communications functions and activities remaining as of 19 October 1946, are transferred to or absorbed by CIG. By late October, the former SSU Communications Division Chief, [] has assumed duties as Deputy Chief, Communications Division, CIG.	25X1 25X1A 25X1A

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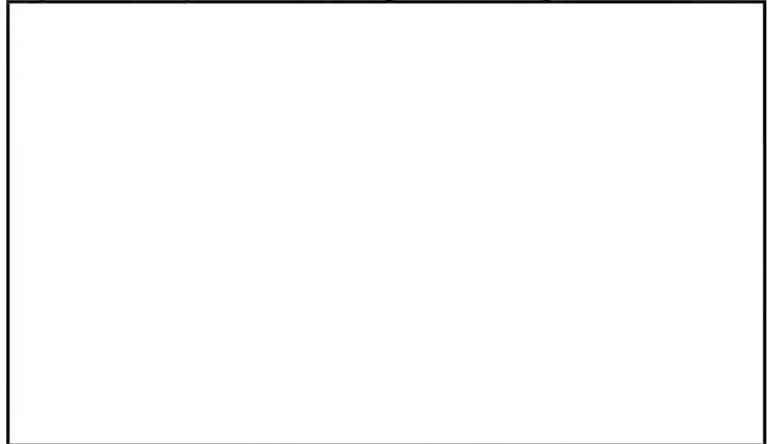
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21 January 1947

Representatives of the Executive Officer for Personnel and Administration and of the Assistant Director for Special Operations agree to a new system of operation for the Communications Division. This pro-

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18 June 1947

CIG General Order [] announces new CIG organization and functions, effective 1 July 1947. The functions of the Communications Division, P&A, are transferred to [] except telephone, central records, and courier service. This eliminates the two-communications-staffs concept (PSD and P&A) in effect since 21 January 1947, and centralizes the Communications Division in [].

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26 July 1947

The National Security Act of 1947, approved 26 July 1947, provides for the establishment of a Central Intelligence Agency under the new National Security Council. This spells the end of CIG as such.

August 1947

[] relieves [] as Acting Chief, Communications, [].

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25X1A

18 September 1947

CIA is officially activated. The personnel, property, and records of the former CIG are transferred to CIA. CIA General Order [] reads, "Effective 26 September 1947, the CIG is established as the CIA."

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